

Social Europe

politics, economy and employment & labour

A better world with more democracy at work

by Stan De Spiegelaere and Sigurt Vitols on 23rd November 2020 [@Stan_ds](#)

For democracy to work well requires democracy in the workplace.



Stan De Spiegelaere

'You know what? Our whole education is a lie. We learned how to be critical citizens for years, develop our own opinions, question common sense and speak up for our own ideas. Forget all that, my friend—in companies that is not appreciated.'

This was one of my schoolmates, who started work as a bank clerk. What my friend experienced—in the manner of a cold shower—was the difficult fit between democracy in politics and the lack of democracy in the companies and organizations in which we work.



Sigurt Vitols

We all know that democracy, however flawed, remains the best of all political systems. In principle the same should hold for the economy: infusing the workplace with more democracy should result in more equitable, innovative, job-rich societies—and, indeed, more political stability.

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Positive correlations

We can assess democracy at work by country using the European Participation Index. Comparing this with employment, equality, investment in research and development, labour share, lack of in-work poverty and level of political democracy, at the European Trade Union Institute we observed consistent positive correlations (see the interactive dataset). In other words, where employees have a say in how companies are run, where unions are strong and collective-bargaining coverage is broad, and where employees have a representative who can defend their vision and interest, societies perform better.

That makes perfect sense. Just as political democracy ensures there is oversight of the government, democracy at work holds employers accountable for their actions. Whereas political democracy gives a voice to all citizens so that their interests can be taken into account, democracy at work injects the workers' perspective into managerial decision-making.

Additionally, employees in companies have little to gain from short-term profits and much more from the long-term viability of their firm. Giving them a voice is thus likely to shift the balance of incentives from immediate executive remuneration towards investment and innovation.

Last but not least, infusing workplaces with democracy will reduce the tension between aspiring to be a critical political citizen yet being required to act as an obedient employee. Workers who can vote for workplace representatives, can have an influence on how the company is managed and experience the difficult but rewarding process of democracy in their firm are more likely to be citizens with greater confidence in political democracy who wish to participate more and voice their opinions in society.

Participation declining

The bad news, however, is that over the last decade the average country score in the European Participation Index has been **declining** almost consistently. On a scale of zero to one, the European average was hovering around 0.53 in 2009. Ten years later, it has fallen below 0.5.

The reasons for this decrease are not difficult to find. Over the last ten years, trade union density (the proportion of workers who are members) has declined in virtually all European countries. The same holds for collective-bargaining coverage (the proportion covered by a collective-bargaining agreement) and for access to employee representation.

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This means that one of the cornerstones of the European social model, of its version of capitalism, is slowly weakening. The chicken which seemed once to lay golden eggs is losing its feathers.

Decisive choice

While damage has been done, though, nothing is lost forever. A decisive political choice for more democracy at work can turn the European tanker around, towards social amelioration. This entails reinforcing information and consultation rights, locally and European-wide, extending co-determination rights at board level, facilitating sector-wide collective bargaining and supporting the recruitment of new members by trade unions.

Only in this way can we make the most of those competences that we try to teach our children: critical thinking, speaking up, asking for the reasons behind decisions and having a say—in our societies and in our democracies. This would have made the transition to work easier for my childhood friend and for his superiors: he refused to shut his mouth and got into a lot of trouble. Now he is a successful human-resources manager.

Our education shouldn't be a lie. Democracy should be common sense, politically and economically.